



Sarah Ganong
Connecticut Working Families & the Recovery for All coalition

SB 21 AN ACT CONCERNING A STATE-WIDE PROPERTY TAX
ON CERTAIN RESIDENTIAL REAL PROPERTY
SB 28 AN ACT ESTABLISHING A CAPITAL GAINS SURCHARGE
SB 29 AN ACT CONCERNING THE EARNED INCOME TAX CREDIT

Good morning everyone, and thanks for the chance to testify today. My name is Sarah Ganong, and I live in Hartford. I'm the State Director of Connecticut Working Families, an advocacy organization dedicated to building an economy and democracy that work for all and not just the wealthy and well-connected. Working Families is a proud organizational member of the Recovery for All coalition, along with many others who have joined us here today. Thank you for the opportunity to testify in support of Senate Bills 21, 28 and 29.

As a lifelong Connecticut resident, one of the things I've been most proud of the last two years has been how regardless of our race, gender, income, or zip code we've come together to navigate the uncertainty of COVID-19 and the financial impacts on our communities. Now, with our coffers full and the pandemic continuing to recede, Recovery for All knows we must provide relief to all our most vulnerable residents.

Connecticut is the wealthiest state in the wealthiest country in the history of the world. Since the beginning of the pandemic, our state's 13 billionaires have seized nearly \$14 billion dollars in additional wealth while hundreds of thousands of working people continue to struggle. We can do better than one-off election year tax cuts. We can rebuild our public services to eliminate disparities and strengthen our communities for the long term. We can move beyond simple survival to prosperity for all our residents.

The ultra-wealthy have been allowed to rig the rules in their favor and profit from others' work while refusing to contribute at the same levels we all pay to fund schools, higher education, infrastructure, healthcare programs, and other vital public services upon which we all rely. This must stop. We must join together to create a sustainable recovery, but we can't do it alone on federal funds that will soon expire. The unmet need is too great.

This is why our organization supports Senate Bills 21, 28, and 29. SB 21 and SB 28 ask higher income earners, who as we've seen in the recent tax report are doing more than fine, to share the responsibility of building a stronger economy and a fairer economy. We should also raise marginal rates on households with incomes over \$1 million, to create a Connecticut where everyone can thrive.

SB 29 would begin a Recovery For All by providing immediate and permanent relief to those who need it most. It should be coupled with a child tax credit to help bring working families out of poverty and give them a fighting chance to make ends meet, provide for their children and save for a rainy day.

Finally, we should be asking profitable corporations to do more. Increasing the corporate income tax surcharge to 20% and increasing the business tax on corporations whose gross income exceeds \$100 million to 11.5% would generate upwards of \$250 million for Connecticut's coffers. And massive technology companies like Google, Facebook, and especially Amazon (who continues to expand into Connecticut) maximize their profits by collecting and re-selling user data for online advertiser targeting. A 10% tax on digital advertising on these large companies seems like the least we can do to support Connecticut and our residents, and it would generate around \$140 million each year.

The scale of the crisis we all face demands a bold and brave response. Addressing our inequitable tax code is an essential first step. We can fund essential services to help our residents, reduce economic and racial inequality, and set our state on a path towards robust economic recovery. I urge the Finance Committee to pass SB 21, 28, and 29.

Thank you for holding this public hearing and for the chance to testify.

Best,

Sarah Ganong

State Director
Connecticut Working Families